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SUBJECT: Samara Oblast: New Sheriff in Town

Ref: 2006 Moscow 12812

1. (SBU) SUMMARY: The shocking speed in which Yeltsin-era Governor Konstantin Titov was replaced after 16 years in power has fostered an atmosphere of nervous expectation among the political elite in Samara. In a whirlwind of events this August, Titov announced his resignation; Putin nominated Artyakov; the regional Duma approved him; and the then president of Avtovaz Vladimir Artyakov was inaugurated as the new governor. Despite his tenure as the head of the region's largest employer and his election to the regional Duma, Artyakov remains an enigma for many in Samara who share concerns that his arrival could mark the end of Samara's comparatively pluralistic political environment. Others, likely including Artyakov's supporters in Moscow, have a different take, and see the new governor as a "new broom" to sweep clean the corruption of local "oligarchs" and re-assert order in the region. End summary.

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Titov Failed to Deliver for United Russia  
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2. (SBU) During discussions in Samara on September 10 and 11, most interlocutors viewed Titov "the man" with a certain respect, seeing him as a leader who had been capable in managing the competing interests of a number of political and economic groups within the region. However, in recent years, his performance had declined and he was seen by many as being too deeply ensnared in corruption and his own business interests -- leading to what Sergey Kurt-Adzhiev, the chief editor of the local edition of Novaya Gazeta, characterized as a period of stagnation. People had grown frustrated with the lack of progress and blamed the regional administration. (One common complaint by all interlocutors, including taxi drivers and the hotel staff, was the poor conditions of the roads in Samara oblast. They blamed former Mayor Limanskiy particularly for failing to maintain the Samara city infrastructure.) Sociologist Vladimir Zvonovskiy linked the decline in Titov's effectiveness to Putin's 2005 decision to have governors appointed by Moscow rather elected; with the implication that the change meant that Titov was no longer responsible to the citizenry of the region.

3. (SBU) Titov's removal, according to pundits in Moscow and Samara, resulted primarily because the Kremlin no longer had faith that Titov could manage regional political conflict or handle relations with the center. Titov appeared unable to help the fortunes of the Kremlin-backed United Russia (UR) party; during elections to the oblast Duma in March, UR candidates won just over 30 percent of the vote -- far below the hopes and expectations of the party's Moscow leadership. In public statements in August, just before he resigned, the former governor said that he would not serve as the "locomotive" to push support for UR, a position that suggested his reluctance to use administrative resources to promote the party's candidates in upcoming State Duma and Presidential elections. Further complicating Titov's efforts, conflicts between regional elites had escalated as powerful local business interests supported their own candidates in the oblast Duma and mayoral elections. Those local "oligarchs" last year provided financial backing to help Viktor Tarkhov win the mayoral election in Samara on a Just Russia (SR) ticket, defeating

the incumbent UR candidate Georgiy Limanskiy. (See REFTEL) Given the increasing stakes in the run-up to national elections, it seems likely that the Kremlin brought in Artyakov to reassert some balance in regional politics.

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Titov: A Victim of Inter-regional Power Struggle?  
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14. (SBU) Many of our contacts in Samara related the quick replacement of Titov with a perceived Kremlin strategy to break the power of regional elites. The chief editor of the local branch of the independent radio station Ekho Moskvyy, Tatyana Prokopavichene, saw the replacement of Titov as another step in a program to remove the Yeltsin-era regional elite. (She excepted Mintimer Shaymiyev of Tatarstan, however, noting that he has a special place among the Muslim population "like President Nazarbayev in Kazakhstan.")

15. (SBU) Titov's decision to resign may also have been connected to concerns that information about his business interests and corrupt past relations were about to be revealed. Ludmila Kuzmina of the NGO "Golos" related the arrest of Togliatti Mayor Utkhin in early May to Titov's ultimate decision to offer his resignation. Utkhin had been the chairman of the oblast Duma Committee on Budget, Finance, and Economic and Financial Policy for the past three convocations and Embassy interlocutors surmised that he knew enough about regional financing and flows to Titov's business interests to compromise the governor. They speculated that Utkhin might have been willing "to make a deal" with investigators in order to bring down Titov.

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The New Sheriff  
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16. (SBU) Embassy interlocutors were mixed in their assessments of what the Artyakov administration would look like. Mikhail Sychev, the head of the Just Russia (SR) party apparatus in Samara, said that people had lost faith in Titov because he no longer was able to fulfill his political promises. Sychev predicted the appointment of Artyakov would usher in an age of increased discipline and improved government for the region. He expected no broad scale change of cadres, but suggested that those who had grown comfortable under Titov would have to prove their efficiency to a new boss.

17. (SBU) The chairman of the Samara regional Yabloko party, Igor Ermolenko, expressed his concern that Artyakov's role in Samara was to "do what Putin had done" on the national level: clean out the oligarchs and assert the prominence of the government-controlled holding companies. Golos' Kuzmina said that she expected Artyakov to remain in power for only a year, once he had stabilized the region's "cadres," he would be moved to other tasks. Kuzmina gleefully predicted that there would be greater political infighting as regional businessmen defended their interests against the "bureaucrats from Moscow" that were descending on the oblast.

18. (SBU) Ekho Moskvyy's Prokopavichene took a different point of view, suggesting that the regional elite would compromise with the new Artyakov regime rather than face a long battle with a foe that had vast political and economic resources behind it. She further predicted that Samara Mayor Tarkhov would also trim his sails to adjust to the new environment, bringing an end to Samara's period of "pluralist" politics. Indeed, on September 17 Tarkhov announced at the regional SR conference that he would not head the party's election ticket for the State Duma elections, according to Gazeta.ru, because the party organization ignored his recommendations for setting the candidate lists. (SR is running two tickets in Samara, one centered in Togliatti, the other in Samara city.) His decision provoked a scandal and could be a crippling blow for SR election plans, since he was perhaps the most well known and influential politician in the region.

19. (SBU) COMMENT: Samara is a wealthy oblast, with a host of competing oligarchic business interests; politically akin to Ohio in U.S. politics. One measure of whether the center has "tamed" the

province with the removal of Titov will be the success or failure of Artyakov to deliver the votes for United Russia in the December Duma elections. To do so, he will need to rein in members of the wily party elite who have felt free to break ranks in the past, and who have felt isolated enough from the "vertical of power" to get away with it.

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